

# **FISCAL MEMORANDUM**

## **SB1028 - HB1207**

May 14, 2007

**SUMMARY OF AMENDMENT (008808):** Deletes the language of the original bill. Creates a new specialty earmarked license plate for fourteen different organizations; authorizes retired firefighters to receive a “firefighter” license plate upon proof of retirement in good standing from a firefighting unit; creates a cultural license plate for Women Veterans of America; redesigns the Purple Heart license plate and requires the plates to be issued free of charge to qualified persons; extends the time for meeting minimum number requirements for the issuance of two previously approved new specialty earmarked license plates; redesigns the Lady Vols national championship license plate.

### **FISCAL IMPACT OF ORIGINAL BILL:**

Increase State Revenues – Not Significant

Increase Local Govt. Expenditures – Not Significant

Increase Local Govt. Revenues – Not Significant

### **FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

#### **Other Fiscal Impact –**

##### **Each New Specialty Earmarked Plate (14 new plates):**

Increase State Revenues - \$6,260 General Fund  
\$28,740 Dedicated Funds  
Increase State Expenditures - \$6,260 One-Time

##### **Women Veterans of America Cultural Plate:**

Increase State Revenues - \$4,380 General Fund  
\$13,120 Dedicated Funds  
Increase State Expenditures - \$4,380 One-Time

##### **Purple Heart License Plate:**

Decrease State Revenues - \$103,300  
Increase State Expenditures - \$15,500 One-Time

##### **Lady Vols License Plate:**

Increase State Expenditures - \$6,343 One-Time  
Other Fiscal Impact – Redirects current revenues

Assumptions applied to amendment:

Each New Specialty Earmarked License Plate (14 new plates):

- Revenues (1,000 plates @ \$35.00 each).
- Expenditures (Production cost – 1,000 plates @ \$3.76 each = \$3,760 one-time; computer system changes = \$2,500 one-time).
- One thousand new plates will be purchased by individuals that currently do not have a specialty license plate.
- Net proceeds from the sale of such plates will be allocated as follows: 50% to a certain fund (depending upon the plate); 40% to the Tennessee Arts Commission; and 10% to the State Highway Fund.

Women Veterans of America Cultural Plate:

- Revenues (500 plates @ \$35.00 each)
- Expenditures (Production cost – 500 plates @ \$3.76 each = \$1,880 one-time; computer system changes = \$2,500 one-time)
- Five hundred new plates will be purchased by individuals that currently do not have a specialty license plate.
- Net proceeds from the sale of such plates will be allocated as follows: 80% to the Tennessee Arts Commission and 20% to the State Highway Fund.

Purple Heart Plate:

- A decrease in state revenues as a result of no longer collecting the fee for the Purple Heart plate. (4,133 plates @ \$25 each)
- A one-time increase in state expenditures to design and manufacture a new plate. (4,133 plates @ \$3.76 each)

Lady Vols Plate:

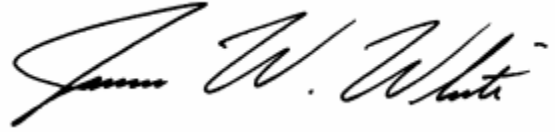
- A one-time increase in state expenditures to design and manufacture a new plate. (1,687 plates @ \$3.76 each)
- Revenues currently received will be redirected in order to cover one-time expenditures. In addition, net proceeds will be redirected from the UT-Knoxville General Scholarship Fund to the UT-Knoxville Women's Athletics Department.

Retired Firefighter License Plate:

- The fiscal impact of this provision is minimal. Retired firefighters will receive the current firefighter license plate. The cost of a firefighter license plate and a regular license plate is the same.

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director

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